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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

2007 JUN -1 A 10:42

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MIKE GLEASON, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF
BLACK MOUNTAIN SEWER CORPORATION,
AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE OF ITS
UTILITY PLANT AND PROPERTY AND FOR
INCREASES IN ITS RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO. SW-02361A-05-0657

PROCEDURAL ORDER

BY THE COMMISSION:

On September 16, 2005, Black Mountain Sewer Corporation ("BMSC" or "Company") filed an application with the Arizona Corporation Commission for a rate increase.

In Decision No. 69164 (December 5, 2006), the Commission granted the Company an increase in rates and also directed BMSC to, among other things, complete a project to remedy odor problems associated with the Company's CIE Lift Station within 180 days of the Decision (*i.e.*, by June 3, 2007), "unless an extension is granted upon an appropriate timely request" (Decision No. 69164, at 32).

On May 14, 2007, BMSC, the Commission's Utilities Division Staff, the Town of Carefree ("Carefree"), and the Boulders Homeowners Association ("HOA") submitted a Stipulation Regarding CIE Lift Station Remediation Pursuant to Decision No. 69164. The Stipulation indicates that removal of the CIE Lift Station is contingent upon Tranquil Trails Unit 1 receiving an Approval of Construction permit from the Maricopa County Environment Services Department ("MCESD"). The filing states that issuance of that permit has been delayed, but is expected to be received by mid-July. Once the MCESD permit is received, the Company anticipates that removal of the lift station will take approximately two weeks. The Stipulation states that although Carefree and the HOA are disappointed by the delay, they nonetheless agreed to the requested extension because the reason for the delay is beyond the Company's control. According to the filing, the Residential Utility Consumer

Office did not sign the Stipulation and takes no position.

IT IS THEREFORE ORDERED that **Black Mountain Sewer Corporation shall be granted an extension of time, until September 1, 2007, to comply with the requirement in Decision No. 69164 regarding removal of the CIE Lift Station.**

IT IS FURTHER ORDERED that in all other respects, Decision No. 69164 shall remain in full force and effect.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order.

Dated this 2nd day of June, 2007.



DWIGHT D. NODES
ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed
this 5th day of June, 2007 to:

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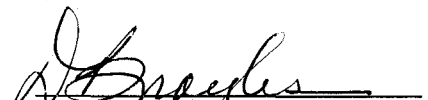
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